

San Diego Integrated Regional Water Management Planning Grant Proposal Authorizing Documentation

Attachment 1 consists of the following items:

✓ **Memorandum of Understanding**

The adopted *Memorandum of Understanding for the Integrated Regional Water Management Grant Program for FYs 2009-2013* gives the San Diego County Water Authority overall responsibility for managing the San Diego IRWM program and submitting all applications to the State on behalf of the parties.

✓ **Resolution**

Resolution 2010-17 authorizes the San Diego County Water Authority to submit this San Diego IRWM Planning Grant Proposal and execute an agreement with the State of California for IRWM planning activities.

This San Diego IRWM Planning Grant Proposal is being submitted by the San Diego County Water Authority (Water Authority). Per the adopted *Memorandum of Understanding for the Integrated Regional Water Management Grant Program for FYs 2009-2013*, the Regional Water Management Group (RWMG) – comprised of the City of San Diego, the County of San Diego, and the Water Authority – determined that the Water Authority shall have overall responsibility for submitting all applications to the State on behalf of the parties (Exhibit A).

Resolution 2010-17 was adopted by the San Diego County Water Authority Board of Directors on September 23, 2010 and authorizes the Water Authority to submit this San Diego IRWM Planning Grant Proposal and execute an agreement with the State of California for IRWM planning activities (Exhibit B).

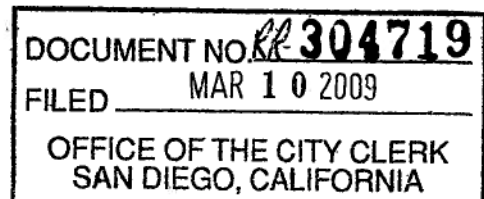
**MEMORANDUM OF UNDERSTANDING
BETWEEN CITY OF SAN DIEGO
COUNTY OF SAN DIEGO, and SAN DIEGO COUNTY WATER AUTHORITY
for the
INTEGRATED REGIONAL WATER MANAGEMENT PLAN AND GRANT PROGRAM
For 2009-2013**

This Memorandum of Understanding (MOU) between the San Diego County Water Authority (Water Authority); the City of San Diego, a municipal agency (City); and the County of San Diego, a political subdivision of the State of California (County) sets forth the respective roles of the Water Authority, City and County in regard to the Integrated Regional Water Management (IRWM) Plan and Grant Program. Water Authority, City and County are sometimes referred to in this MOU collectively as the "Parties" and individually as "Party."

This MOU replaces the Memorandum of Understanding (June 13, 2005), as amended, between City of San Diego, County of San Diego, and San Diego County Water Authority for Fiscal Years 2005-2009 for the IRWM Grant Program.

RECITALS:

1. The California Legislature enacted SBX2 1 (Perata, Chapter 1 Statutes of 2008), the Integrated Regional Water Management Planning Act, which repealed and re-enacted Part 2.2 of Division 6 of the Water Code relating to integrated regional water management plans. SBX2 1 provides that a regional water management group may prepare and adopt an integrated regional water management (IRWM) plan.
2. In November 2002, Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act (Prop 50), authorized the Legislature to appropriate funding for competitive grants for IRWM projects.
3. In November 2006, Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Act (Prop 84), authorized the Legislature to appropriate funding for competitive grants for IRWM projects.
4. The intent of the IRWM Grant Program (Program) established in accordance with Prop 50 and SBX2 1 is to encourage integrated regional strategies for management of water resources and to provide funding, through competitive grants, for projects that protect communities from drought, protect and improve water quality, promote environmental stewardship, and improve local water security by reducing dependence on imported water.
5. To qualify as a regional water management group (RWMG) and comply with the Program Guidelines (Guidelines) established under Prop 50 and SBX2 1, at least three agencies must participate in the group; two of the agencies must have statutory authority over water management that may include water supply, water quality, flood control, or stormwater management.



Attachment 1, Exhibit A

6. In 2005, the Parties established an RWMG that consists of the Water Authority and City, both of which have statutory authority over water management, and County, which has statutory authority over water quality and flood control in the unincorporated area.

7. The Parties understand that only through a collaborative effort with the many stakeholders involved in water management planning can the IRWM Plan process be successful in the San Diego region.

8. As part of the public outreach and stakeholder involvement effort, the Parties established the Regional Advisory Committee (RAC), which comprises up to 30 representatives appointed by the Parties from the water management areas of water supply, water quality and natural resources/watersheds management; representatives of businesses, academia and tribes; and other interested members of the public. The purpose of the RAC is to make recommendations to the Parties on key issues related to IRWM planning and grant applications.

9. The Parties, acting with positive recommendations from the RAC, completed the 2007 San Diego IRWM Plan and submitted an implementation grant application (Application) under the second cycle of the Prop 50 IRWM Program. The Parties subsequently were awarded a \$25 million implementation grant application (Application) from the Department of Water Resources (DWR).

10. Prop 84 allocates an additional \$91 million dollars in grant funding for projects developed under the IRWM Plan for the San Diego Funding Area.

11. Prop 84 and Proposition 1E, the Disaster Preparedness and Flood Prevention Bond Act of 2006 (Prop 1E), which passed in 2006, include a combined \$575 million that will be available on a competitive basis statewide for regional flood management and stormwater projects that are consistent with an adopted IRWM Plan. DWR plans to have a single application for Prop 84 IRWM and flood management and Prop 1E stormwater-flood management grant funds.

12. The original MOU between the Parties did not provide funding to implement or update the IRWM Plan, administer the Prop 50 grant contract, or apply for Prop 84 and Prop 1E funding. This MOU consists of five major components: general grant obligations, 2007 San Diego IRWM Plan update, Prop 50 grant contract administration, the role of the RAC, and funding.

Now, therefore, in consideration of the above incorporated recitals and mutual obligations of the Parties herein expressed, the Parties agree as follows:

1. General grant obligations

- a. The Parties are equal partners in the development and submission of State grant applications, including the associated region acceptance process. All Parties shall have necessary reviews and approvals completed by their respective staff before submittal of grant applications.
- b. The Parties shall provide timely input on grant application reviews and approvals according to the schedule upon which they have mutually agreed. The grant

Attachment 1, Exhibit A

applications shall be developed in accordance with the Guidelines and schedule established by DWR.

- c. Water Authority shall submit the grant applications to the State on behalf of the Parties.
- d. To expedite the grant application process, Water Authority shall provide initial funding for a consultant to develop the applications. The cost of the consultant and applications shall be shared by the parties consistent with Section 5 of this MOU.
- e. Water Authority shall be responsible for developing project lists and managing funding for its member agencies (except City).
- f. City shall be responsible for developing project lists and managing funding for projects that fall within City's jurisdictional boundaries, are located on City-owned property, or are projects in which City is involved as a partner.
- g. County shall be responsible for developing project lists and managing funding for regional non-governmental organizations, stormwater and watershed projects or projects not otherwise explicitly within the responsibilities of the Water Authority or City.
- h. Procurement of all work for the projects shall comply with the terms and conditions of the State Grant and all other applicable laws.

2. San Diego IRWM Plan update

- a. The Parties are equal partners in the update of the IRWM Plan (Plan). Water Authority shall contract with a consultant to update the Plan in compliance with the Guidelines and schedule established by DWR, and submit the updated Plan to the State.
- b. The update of the Plan shall be contingent upon receipt of additional funding.

3. Prop 50 grant contract administration

Definition: A Local Project Sponsor is a proponent of an individual project that will be funded as part of an IRWM Program grant from State. A local project sponsor may be Water Authority, County, City, a Water Authority member agency, a municipality or a non-governmental organization.

- a. The Water Authority shall have overall responsibility for administering the Prop 50 Program grants in the San Diego region unless other mutually agreeable arrangements are made with the granting agencies or among the Parties. Administrative tasks include contracting with the State and Parties, coordinating and submitting reports, and responding to audit requests by the grant agency.
- b. Each Party shall be responsible for managing grant projects as set forth in this section and for requiring adherence to the contractual requirements of the funding agency. A matrix of projects, Local Project Sponsors, and their administering Party is attached.
- c. A Party whose project is awarded Program funding, or who is managing the project of a Local Project Sponsor that has been awarded Program funding, shall invoice the Water Authority, which shall in turn invoice the State. The Water Authority shall, within 60 days of receipt of funds from the State, disburse the funds to the Local Project Sponsor and provide notice of disbursement to Managing Party.

Attachment 1, Exhibit A

- d. The Parties agree to jointly hire a consultant to assist in administration of the Prop 50 Program grant received by the Region. These tasks include collecting necessary data, preparing required quarterly reports consistent with DWR guidelines and verifying invoices. The Parties shall participate in the consultant selection process and in development of the scope of work. All Parties shall be signatories to the consultant contract; the Water Authority shall be the lead Party for contract administration.
- e. The Parties shall pay for the consultant to assist in administration of the Prop 50 Program grants with a fund that comprises three percent of each individual project grant. To the extent that consultant costs exceed the amount in this fund, and the Parties mutually agree to the additional cost, they shall equally share these costs in accordance with Section 5a.
- f. All public works construction using Prop 50 Funds shall comply with all applicable laws for a "public work," including a Labor Compliance Program.
- g. If the State funds the Program at a level lower than the requested dollar amount and does not provide direction on which projects to fund, the Parties, in consultation with the RAC, shall reevaluate all projects and fund as determined by that reevaluation of projects and their integration into regional priorities and benefits.

4. Role of Regional Advisory Committee (RAC)

The RAC shall be considered the project advisory committee. The Parties are committed to a cooperative relationship with the RAC and will incorporate the RAC's consensus recommendations in draft documents prepared for presentations to the Parties' governing bodies. The Parties' governing bodies will give primary consideration to the recommendations of the RAC as part of any decision related to the following:

- a. Adoption of the updated IRWM Plan for the San Diego region.
- b. Development of the San Diego planning region for DWR's region approval process, which precedes grant applications under the combined Prop 84 and Prop 1E grant program.
- c. Criteria for prioritizing projects for funding under the Prop 84 and Prop 1E grant programs.
- d. Approval and submission of grant applications.
- e. Transition responsibility for implementation of the IRWM Plan to a new institutional structure.

5. Funding

- a. Funding under this agreement shall not exceed \$900,000; each Party shall provide an equal share in an amount not to exceed \$300,000. If costs to implement the MOU exceed \$900,000, the Parties shall contribute equally to a mutually agreed upon increase, the terms of which shall be set forth in an amendment to this MOU.
- b. In-kind services provided by the Parties shall be considered in excess of the above funding amounts. The Parties' staff shall separately document time spent on in-kind services for IRWM planning, administration and grant applications. There shall be no reimbursements for staff costs from Parties not providing the service.
- c. The costs of the MOU shall not include expenditures to administer the Prop 50 grant Program.
- d. Water Authority shall invoice City and County on a quarterly basis along with supporting documentation of expenses. City and County shall remit payment within 60 days of receipt of invoice.

6. Assignment

Parties shall not assign or transfer this MOU or any rights under or interest in this MOU without written consent of all other Parties, which may be withheld for any reason.

7. Defense and Indemnity

Water Authority, City, and County each agree to mutually indemnify, defend at its own expense, including attorneys' fees, and hold each other harmless from and against all claims, costs, penalties, causes of action, demands, losses and liability of any nature whatsoever, including but not limited to liability for bodily injury, sickness, disease or death, property damage (including loss of use) or violation of law, caused by or arising out of or related to any negligent act, error or omission, or willful misconduct of that party, its officers or employees, or any other agent acting pursuant to its control and performing under this Agreement.

Nothing in the foregoing shall be construed to require any Party to indemnify another for any claim arising from the sole negligence or willful act of the Party to be indemnified.

8. Document Review

Water Authority, City and County each shall make available for inspection to the other Parties, upon reasonable advance notice, all records, books and other documents relating to the Plan and the Program, unless privileged.

9. Term

Attachment 1, Exhibit A

The term of this MOU shall begin on the date of execution by all Parties and expire on December 31, 2013. The Parties agree to continue participating in the planning, development and coordination of the Plan and Grants to the maximum extent possible for the duration of the agreement. However, the term is contingent upon funding by Water Authority, City and County. In the event that future budget appropriations are not approved by one or more of the Parties or by DWR, this MOU shall terminate at the beginning of the fiscal year for which such appropriations are not made. The Parties shall notify each other of this event. Also, if appropriations are different than anticipated, MOU and Program funding shall be adjusted based on available funding.

This MOU may be extended upon mutual written agreement of all Parties.

10. Notice

Any notice, payment, credit or instrument required or permitted to be given hereunder will be deemed received upon personal delivery or 24 hours after deposit in any United States mail depository, first class postage prepaid, and addressed to the Party for whom intended as follows:

If to the Water Authority:

San Diego County Water Authority
4677 Overland Avenue
San Diego, CA 92123
Attn: Mark Stadler

If to City:

City of San Diego Water Department
600 B Street, Suite 600
San Diego, CA 92101
Attn: Cathy Pieroni

If to County

County of San Diego
5201 Ruffin Road, Suite P
San Diego, CA 92123
Attn: Sheri McPherson

Any Party may change such address or contact by notice given to the other Parties as provided herein.

11. Amendments

The MOU may be amended as circumstances necessitate by written agreement executed by all Parties.

12. Severability

The partial or total invalidity of one or more parts of this MOU will not affect the intent or validity of this MOU.

13. Governing Law

This MOU shall be deemed a contract under the laws of the State of California and for all purposes shall be interpreted in accordance with such laws. Any action brought shall be in San Diego County, California.

14. Obligations

Nothing in this agreement shall create additional obligations with respect to the Plan or Program.

15. Termination of MOU

This MOU may be terminated by any Party hereto for any reason 30 days after notice in writing to the other Parties.

16. Signatures

The individuals executing this MOU represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

IN WITNESS WHEREOF, the Parties have executed this MOU as of the date below.

San Diego County
Water Authority

City of San Diego

By: 

Ken Weinberg
Director of Water Resources

By: 

Downs Prior
Principal Contract Specialist
Purchasing & Contracting Department

3/25/09

County of San Diego

By: 

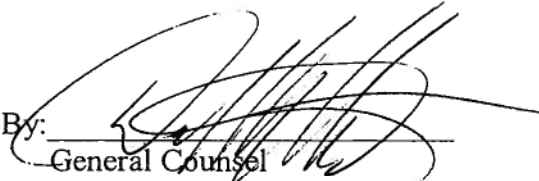
John L. Snyder, Director
Department of Public Works

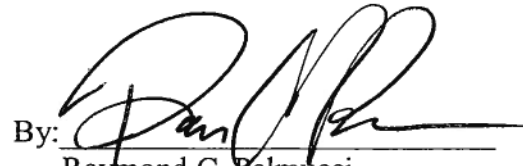
ORIGINAL

APPROVED AS TO FORM:

San Diego County
Water Authority

City of San Diego

By: 
General Counsel
San Diego County Water Authority

By: 
Raymond C. Palmucci
Deputy City Attorney

County of San Diego

By: 
Senior Deputy County Counsel

Date: 3/25/2001

**San Diego Integrated Regional Water Management project list
For Proposition 50 grant funding**

Project title	Local Project Sponsor	Administering party
1 -- Implementation of Integrated Landscape & Agricultural Efficiency Programs	CWA	CWA
2 -- Irrigation Hardware Giveaway and Dry Weather Runoff Reduction Demonstration	City of San Diego	City of San Diego
3 -- Over-irrigation Runoff/Bacteria Reduction	City of Encinitas	CWA
4 -- Santee Water Reclamation Facility Expansion	Padre Dam Municipal Water District	CWA
5 -- Recycled Water Retrofit Assistance Program	CWA	CWA
6 -- Recycled Water Distribution System Expansion, Parklands Retrofit, and Indirect Potable Reuse/Reservoir Augmentation	City of San Diego	City of San Diego
7 -- San Vicente Reservoir Source Water Protection through Watershed Property Acquisition and Restoration Educational Demonstration Wetland Project	CWA	CWA
8 -- El Capitan Reservoir Watershed Acquisition and Restoration Program	San Diego River Park Foundation	City of San Diego
9 -- Northern San Diego County Invasive Non-Native Species Control Program	Mission Resource Conservation District	County of San Diego
10 -- Santa Margarita Conjunctive Use Project Green -- San Dieguito	Fallbrook Public Utility District	CWA
11 -- Carlsbad Desalination Project Local Conveyance	Olivenhain Municipal Water District	CWA
12 -- San Diego Region Four - Reservoir Intertie Conceptual Design	Sweetwater Authority	CWA
13 -- South San Diego County Water Supply Strategy	Sweetwater Authority	CWA
14 -- El Monte Valley Groundwater Recharge and River Restoration Project -- Phases 1 and 2	Helix Water District	CWA
15 -- San Diego Regional Pollution Prevention	San Diego Coastkeeper	County of San Diego
16 -- Biofiltration Wetland Creation and Education Program	Zoological Society of San Diego	County of San Diego
17 -- San Dieguito Watershed Management Plan Implementation Project -- Lake Hodges Natural Treatment System Conceptual Design	San Dieguito Watershed Council	City of San Diego
18 -- Green Mall Porous Paving and Infiltration, Phase 1	City of San Diego	City of San Diego
19 -- Chollas Creek Runoff Reduction and Groundwater Recharge	County of San Diego	County of San Diego

RESOLUTION No. 2010- 17

**RESOLUTION OF THE BOARD OF
DIRECTORS OF THE SAN DIEGO COUNTY
WATER AUTHORITY AUTHORIZING
THE GENERAL MANAGER TO SUBMIT A
PROPOSITION 84 IRWM PLANNING GRANT
APPLICATION**

WHEREAS, Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Public Resources Code section 75001 *et seq.*), authorized the California Legislature to appropriate \$1 billion to encourage integrated regional water management planning in California; and

WHEREAS, Section 83002.(b)(3)(A)(ii) of the California Water Code appropriated to the Department of Water Resources (DWR) \$39 million for integrated regional water management (IRWM) planning grants and other purposes; and

WHEREAS, DWR has made \$20 million of this funding available through a competitive planning grant program; and

WHEREAS, the San Diego Regional Water Management Group (RWMG) needs to update the 2007 San Diego IRWM Plan to comply with new state guidelines for IRWM plans; and

WHEREAS, having an IRWM Plan that complies with state guidelines will be required to seek future DWR funding for IRWM implementation projects; and

WHEREAS, the San Diego RWMG, in close cooperation with the Regional Advisory Committee (RAC), is preparing an application for a Proposition 84 planning grant to be used to update the 2007 Plan; and

WHEREAS, grant application procedures established by DWR require applicants to provide a copy of a resolution adopted by the applicant's governing body designating an authorized representative to file application for an IRWM grants; and

WHEREAS, the memorandum of understanding that established the San Diego IRWM Program identifies the Water Authority has the program's authorized representative; and

WHEREAS, the Water Authority Board of Directors is the decision-making body for the Water Authority; and

WHEREAS, the Board of Directors has considered the reports submitted by Water Authority staff on IRWM planning dated February 14, 2007; May 16, 2007; July 18, 2007; September 19, 2007; January 16, 2008; June 18, 2008; December 10, 2008; January 14, 2009; March 18, 2009; August 19, 2009; October 14, 2009; July 14, 2010; and September 15, 2010

Attachment 1, Exhibit B

NOW, THEREFORE, the Board of Directors of the San Diego County Water Authority resolves the following:

1. The foregoing facts are true and correct.
2. The General Manager is authorized to prepare the necessary data, conduct investigations, and submit a Proposition 84 planning grant application.
3. The General Manager is authorized to enter into an agreement to receive a Proposition 84 planning grant from the California Department of Water Resources.

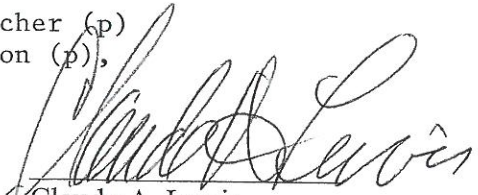
PASSED, APPROVED AND ADOPTED, this 23rd day of September, 2010, by the following vote:

AYES: Unless otherwise noted, all Directors present voted aye.

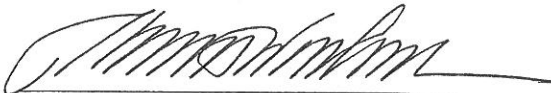
NOES: None

ABSTAIN: None

ABSENT: Bond (p), Bowersox (p), Boyle, Croucher (p),
Jungreis, Lewinger (p), Price, Watton (p),
and H. Williams.



Claude A. Lewis
Chair

ATTEST:



Thomas V. Wornham
Secretary

I, Doria F. Lore, Clerk of the Board of the San Diego County Water Authority, certify that the vote shown above is correct and this Resolution No. 2010- 17 was duly adopted at the meeting of the Board of Directors on the date stated above.


Doria F. Lore
Clerk of the Board